

November 3, 2004

**Acting Assistant Secretary for Financial Markets Timothy S. Bitsberger
November 2004 Quarterly Refunding Statement**

We are offering \$51.0 billion of notes to refund approximately \$48.0 billion of privately held securities and Government account holdings maturing or called on November 15, raising approximately \$3.0 billion. The securities are:

- A new 3-year note in the amount of \$22 billion, maturing November 15, 2007;
- A new 5-year note in the amount of \$15 billion, maturing November 15, 2009;
- A new 10-year note in the amount of \$14 billion, maturing November 15, 2014.

These securities will be auctioned on a yield basis at 1:00 PM Eastern time on Monday, November 8, Tuesday, November 9, and Wednesday, November 10, respectively. All of these auctions will settle on Monday, November 15. The balance of our financing requirements will be met with weekly bills, monthly 2-year and 5-year notes, the December 10-year note reopening, and the January 10-year and 20-year TIPS. Treasury is also likely to issue cash management bills in early December and January.

Debt Limit

Due to debt limit constraints, we currently do not have the capacity to settle our 4-week bill auction scheduled to settle on November 18. Treasury market participants should be prepared for a delay in the formal auction announcement for the 4-week bill and in the auction itself if Congress does not enact legislation to raise the debt limit. All auctions settling before November 18 will be settled as scheduled.

Early Release of CUSIPS

Beginning on December 17, 2004 Treasury will release the CUSIPS for all securities scheduled for the following week. The early release of CUSIPS will improve efficiency of Treasury market transactions at the time of auction announcements. CUSIPS for scheduled auctions will be announced every Friday at 10:30 a.m. and posted on the Bureau of Public Debt's website at the following URL:
<http://www.publicdebt.treas.gov/AI/OFAnnce>.

Other Policy Issues

Data Review

Treasury is assessing the data we currently publish on Treasury auctions and holdings. We seek suggestions on what additional data we should make public and what data that we currently publish is not useful. A list of the data under review can be found in the primary dealer meeting agenda released on October 22, at the following link:
www.treas.gov/offices/domestic-finance/debt-management/dealer-agenda/2004-q4.pdf

TIPS STRIPS proposal

Treasury has considered views on the proposal to make the STRIPS principal of TIPS further strippable into a nominal zero bond and a pure inflation security. We accept the view expressed by some market participants that further stripping of TIPS, while helpful to the development of inflation derivative markets, may reduce liquidity in the TIPS market. Given this concern, we are setting aside this proposal.

The next quarterly refunding announcement will take place on Wednesday, February 2, 2005. Please send comments and suggestions on these subjects or others relating to debt management to debt.management@do.treas.gov.